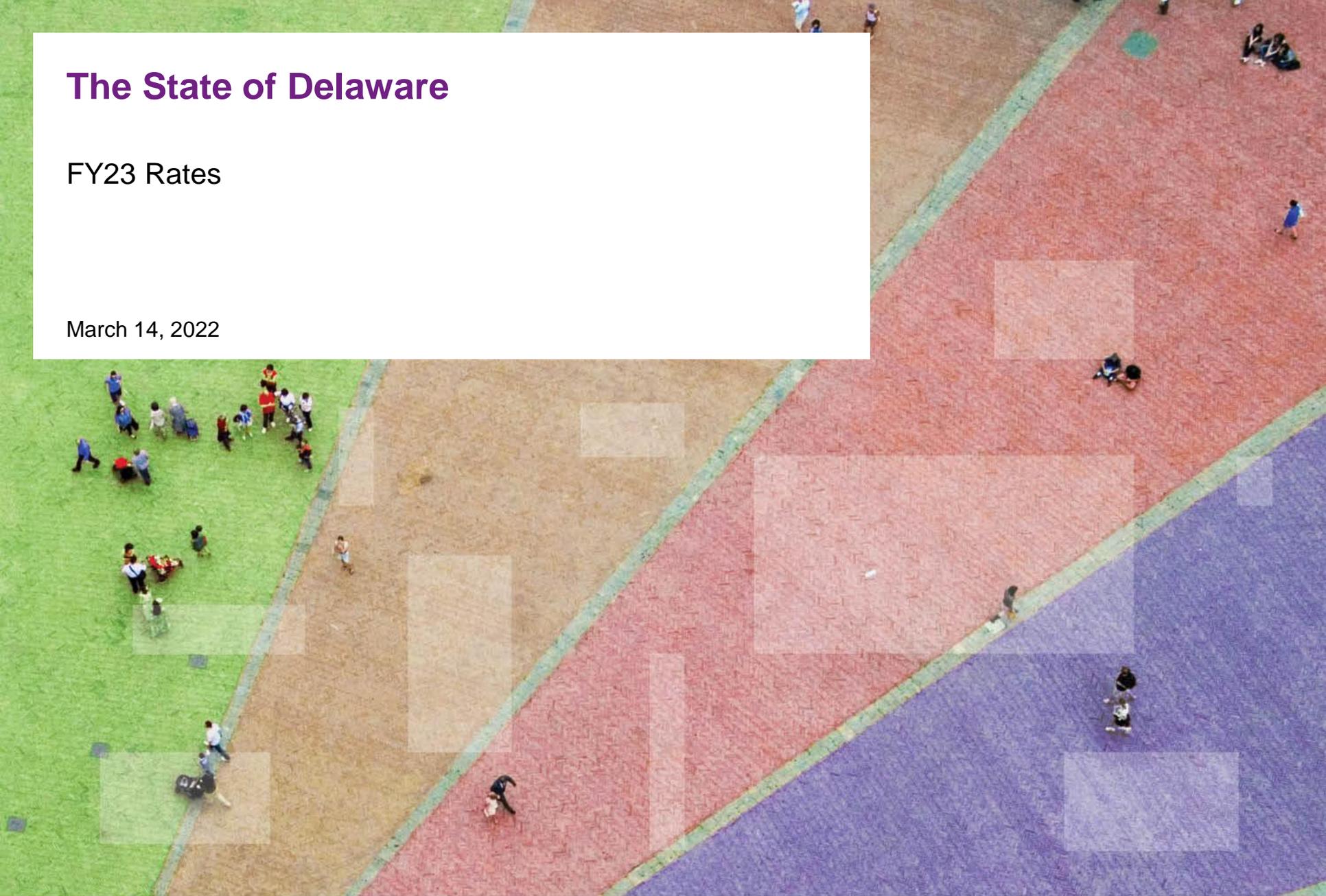


The State of Delaware

FY23 Rates

March 14, 2022



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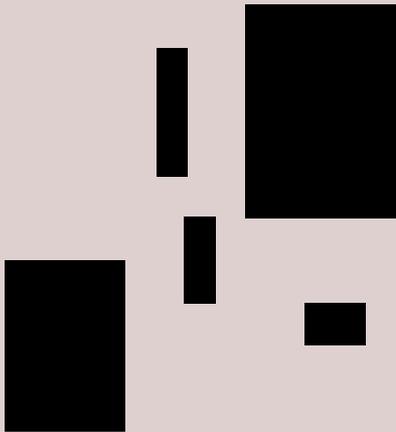
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FY23 Rates



Overview

- On February 28th, 2022, the SEBC voted on an 8.67% rate increase effective 7/1/2022 to solve for the projected FY23 deficit of \$62.7M
- The SEBC must now vote on the actual rates by plan and tier
 - All active and pre-65 retiree rates, including contributions and state share, have increased over FY22 rates by 8.67%
 - Rates have been rounded to the nearest even penny
 - Contributions are aligned with House Bill 81 as follows:
 - First State Basic contributions are 4% of total budget rate
 - CDH Gold contributions are 5% of total budget rate
 - Aetna HMO contributions are 6.5% of total budget rate
 - Comprehensive PPO contributions are 13.25% of total budget rate
 - Medicare rates, effective 1/1/23, reflect move to Highmark Group Medicare Advantage product (medical only) with current prescription drug EGWP plan through CVS Health
 - Medical only rate is \$0
 - Prescription drug rate increased 8.67% over current FY22 Rx only rate of \$198.94, rounded to the nearest even penny

FY23 monthly rates and employee/retiree contributions

8.67% increase effective 7/1/2022

FY23 reflects employee contribution increases of \$2.38 - \$23.66 per employee per month (\$28.56 - \$283.92 per year) and State subsidy increases of \$57.90 - \$156.14 per employee per month (\$694.80 - \$1,873.68 per year) effective 7/1/2022

	Current Rates			FY 2023 with 8.67% Increase (effective 7/1/2022)			\$ Change Employee/ Pensioner Contribution		\$ Change State Subsidy	
	Rate	Employee Contribution	State Subsidy	Rate	Employee Contribution	State Subsidy	Monthly	Annual	Monthly	Annual
First State Basic										
Employee	\$695.36	\$27.84	\$667.52	\$755.64	\$30.22	\$725.42	\$2.38	\$28.56	\$57.90	\$694.80
Employee + Spouse	\$1,438.68	\$57.52	\$1,381.16	\$1,563.42	\$62.54	\$1,500.88	\$5.02	\$60.24	\$119.72	\$1,436.64
Employee + Child	\$1,057.02	\$42.26	\$1,014.76	\$1,148.66	\$45.94	\$1,102.72	\$3.68	\$44.16	\$87.96	\$1,055.52
Family	\$1,798.42	\$71.92	\$1,726.50	\$1,954.34	\$78.18	\$1,876.16	\$6.26	\$75.12	\$149.66	\$1,795.92
CDH Gold										
Employee	\$719.68	\$35.98	\$683.70	\$782.08	\$39.10	\$742.98	\$3.12	\$37.44	\$59.28	\$711.36
Employee + Spouse	\$1,492.22	\$74.58	\$1,417.64	\$1,621.60	\$81.08	\$1,540.52	\$6.50	\$78.00	\$122.88	\$1,474.56
Employee + Child	\$1,099.56	\$54.96	\$1,044.60	\$1,194.90	\$59.74	\$1,135.16	\$4.78	\$57.36	\$90.56	\$1,086.72
Family	\$1,895.74	\$94.78	\$1,800.96	\$2,060.10	\$103.00	\$1,957.10	\$8.22	\$98.64	\$156.14	\$1,873.68
Aetna HMO										
Employee	\$725.94	\$47.16	\$678.78	\$788.88	\$51.28	\$737.60	\$4.12	\$49.44	\$58.82	\$705.84
Employee + Spouse	\$1,530.58	\$99.50	\$1,431.08	\$1,663.28	\$108.12	\$1,555.16	\$8.62	\$103.44	\$124.08	\$1,488.96
Employee + Child	\$1,110.52	\$72.18	\$1,038.34	\$1,206.80	\$78.44	\$1,128.36	\$6.26	\$75.12	\$90.02	\$1,080.24
Family	\$1,909.82	\$124.12	\$1,785.70	\$2,075.40	\$134.90	\$1,940.50	\$10.78	\$129.36	\$154.80	\$1,857.60
Comprehensive PPO										
Employee	\$793.86	\$105.18	\$688.68	\$862.68	\$114.30	\$748.38	\$9.12	\$109.44	\$59.70	\$716.40
Employee + Spouse	\$1,647.34	\$218.26	\$1,429.08	\$1,790.16	\$237.20	\$1,552.96	\$18.94	\$227.28	\$123.88	\$1,486.56
Employee + Child	\$1,223.46	\$162.08	\$1,061.38	\$1,329.54	\$176.16	\$1,153.38	\$14.08	\$168.96	\$92.00	\$1,104.00
Family	\$2,059.40	\$272.86	\$1,786.54	\$2,237.94	\$296.52	\$1,941.42	\$23.66	\$283.92	\$154.88	\$1,858.56

Medicare Advantage

Rates effective January 1, 2023 – December 31, 2023

	Total Monthly Rate	State Share	Pensioner Pays
Highmark Delaware Medicare Supplement for Pensioners Retired On or Prior to July 1, 2012			
Special Medicfill with Prescription*	\$216.18	\$216.18	\$0.00
Special Medicfill without Prescription*	\$0.00	\$0.00	\$0.00
Highmark Delaware Medicare Supplement for Pensioners Retired After July 1, 2012			
Special Medicfill with Prescription**	\$216.18	\$205.38	\$10.80
Special Medicfill without Prescription	\$0.00	\$0.00	\$0.00

*Rates reflect Medicare Advantage plan approved by SEBC on 2/28/2022

- If you have less than 20 years of service and were first hired on or after July 1, 1991, the State does not pay the full state share but will pay a percentage of the state share of the cost of your coverage as explained in the charts below.

Eligible Pensioners Hired By The State On Or After July 1, 1991 Through December 31, 2006 <i>(The following portion of the State Share will be paid by the State)</i> (Except those receiving a disability pension or receiving an LTD benefit)		
Less than 10 years service	0%	state share paid by state
10 years - less than 15 years service	50%	state share paid by state
15 years - less than 20 years service	75%	state share paid by state
20 years or more service	100%	state share paid by state
Eligible Pensioners Hired By The State On Or After January 1, 2007 <i>(The following portion of the State Share will be paid by the State)</i> (Except those receiving a disability pension or receiving an LTD benefit)		
Less than 15 years service	0%	state share paid by state
15 years - less than 17.5 years service	50%	state share paid by state
17.5 years - less than 20 years service	75%	state share paid by state
20 years or more service	100%	state share paid by state

Next steps

- SEBC to vote on FY23 rates as outlined on slides 5 and 6